

University **T**owers
condominiums

Condominium
Documents

UNIVERSITY TOWERS CONDOMINIUMS

PUBLIC OFFERING STATEMENT

NAME OF CONDOMINIUM: UNIVERSITY TOWERS CONDOMINIUMS

ADDRESS OF CONDOMINIUM: 458 East College Avenue
State College
Centre County, Pennsylvania

NAME AND ADDRESS OF DECLARANT: UNIVERSITY CONDOMINIUMS
477 East Beaver Avenue
State College, Pennsylvania 16801

EFFECTIVE DATE OF PUBLIC
OFFERING STATEMENT:

THIS PUBLIC OFFERING STATEMENT IS BEING PRESENTED BY THE SELLER IN AN ATTEMPT TO DISCLOSE AND SUMMARIZE INFORMATION PERTINENT TO CONSIDERATION OF A PURCHASE OF A CONDOMINIUM UNIT AT UNIVERSITY TOWERS CONDOMINIUMS. SINCE IT IS AN ABBREVIATED FORMAT, PROSPECTIVE PURCHASERS SHOULD ALSO REFER TO THE COMPLETE DOCUMENTS REFERRED TO IN THIS STATEMENT FOR COMPLETE INFORMATION.

WITHIN 15 DAYS AFTER RECEIPT OF A PUBLIC OFFERING STATEMENT A PURCHASER, BEFORE CONVEYANCE, MAY CANCEL ANY CONTRACT FOR PURCHASE OF A UNIT FROM DECLARANT.

IF DECLARANT FAILS TO PROVIDE A PUBLIC OFFERING STATEMENT TO A PURCHASER BEFORE CONVEYING A UNIT, THAT PURCHASER MAY RECOVER FROM DECLARANT DAMAGES AS PROVIDED IN SECTION 3406 (c) OF THE PENNSYLVANIA UNIFORM CONDOMINIUM ACT IN AN AMOUNT EQUAL TO 5% OF THE SALES PRICE FOR SUCH UNIT, UP TO \$2,000.00 OR IN AN AMOUNT EQUAL TO THE DAMAGES SUFFERED BY THE PURCHASER, WHICHEVER IS GREATER.

IF A PUBLIC OFFERING STATEMENT IS RECEIVED BY THE PURCHASER MORE THAN 15 DAYS BEFORE SIGNING A CONTRACT, HE CANNOT CANCEL THE CONTRACT.

UNIVERSITY TOWERS CONDOMINIUMS

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EVERY PROSPECTIVE PURCHASER SHOULD READ THIS STATEMENT CAREFULLY

Format of this Statement

This Statement consists of four separate sections. This first section, entitled "PUBLIC OFFERING STATEMENT", summarizes the significant features of University Towers Condominiums and presents additional information of interest to prospective purchasers. The other three sections include: (1) the proposed Declaration of University Towers Condominiums, (2) the proposed Bylaws of University Towers Association, and (3) the annual budget (proposed or actual as the case may be) of the University Towers Association. The Declaration and the Bylaws are herein referred to as the "Condominium Documents". If there is any variation between this Public Offering Statement and the Condominium Documents, the Condominium Documents will govern.

No person or sales agent or other representative of Declarant may orally modify the terms and conditions of the Condominium Documents or interpret their legal effect. All capitalized terms which are not defined in this Public Offering Statement have the meaning set forth in the Declaration or in the Bylaws.

The Condominium Concept

The term "condominium" refers to a form of property ownership which, in effect, combines two older forms of ownership. A residential condominium Unit Owner is, at the same time, both the sole owner of the portion of a building which encloses his or her living quarters and one of many mutual owners (in legal terms, "tenants in common") of common facilities which service his and other living quarters and of common areas which a Unit Owner may use and enjoy along with owners of other Units. Common Elements are all portions of the condominium which are not included within the Units. In general, the Common Elements constitute the underlying land and those portions of the condominium which support, enclose or service the Units.

Each individual Unit has a share, that is, an "undivided interest", in the Common Elements, which means that all Unit Owners have a share in the ownership of all Common Elements. In University Towers Condominiums, the interest for each unit is expressed as a percentage of the whole. The Percentage Interest appurtenant to each Unit is determined on the basis of size, by dividing the size of each Unit by the aggregate sizes of all Units. The size of each Unit is the total number of Square feet or floor space contained therein determined by reference to the dimensions shown on the Plats and Plans. The ownership of this Percentage Interest gives each Unit Owner the right, subject to the terms of the Pennsylvania Uniform Condominium Act and of the Condominium Documents, to use and participate in the control of the Common Elements with the other Unit Owners and imposes upon each Unit Owner the obligation to pay the same

percentage of the expenses of operating and maintaining Owner's Percentage Interest in the Common Elements. The amount of these expenses is determined in annual budgets established by an Executive Board, which a majority of the Unit Owners will elect after Declarant has conveyed 75% of the Residential Units to third parties, or five years after the recording of the Declaration, whichever occurs first. It is this coupling of the exclusive ownership of a Unit with the shared ownership of the Common Elements which distinguishes condominium ownership from other forms of property ownership.

The Declarant

University Towers Condominiums is being built and created by University Condominiums, a Pennsylvania limited partnership whose sole general partner is HFL Corporation. The present address of the Declarant is 477 East Beaver Avenue, State College, Pennsylvania.

A Brief Description of University Towers Condominiums

University Towers Condominiums is located in State College Borough, Centre County, Pennsylvania on approximately 23,971 square feet of land at 458 East College Avenue (directly across the street from The Pennsylvania State University). University Towers Condominiums consists of a seven-story building containing ninety residential units and four commercial units. There are also thirty-six parking units. The first floor contains the four commercial units. The second through the seventh floors each contain fifteen residential units.

The Percentage Interest allocated to each Unit is set forth in Exhibit "B" of the Declaration.

Water and sewer service will be provided by the State College Borough Water Authority. The Units are not individually metered and the combined water and sewer usage charges shall be paid by the Association as part of the Common Expenses. Maintenance of the water and sewer lines leading to the Units will be the responsibility of the Association. Electric service for heating, air conditioning and hot water is provided by West Penn Power Company and is individually metered to each Unit.

Because of the "tax shelter" and other economic benefits arising from investment ownership of real estate, such as a Unit at University Towers Condominiums, and based upon market analysis and prior experience, it is likely that a number of Units will be purchased (singly or in groups of Units) by investors. Therefore, Declarant has reserved the right to rent or sell more than one Unit to any lessee, purchaser or investor. Declarant has also reserved the right to rent any Units which are not sold.

ARTICLE V
USE RESTRICTIONS

Section 5.1. Use and Occupancy of Residential Units and Common Elements.
Occupancy and use of the Residential Units and Common Elements shall be
subject to the following restrictions:

1. No residential Unit may be divided or subdivided into a smaller unit, nor may any portion of any residential unit be added to or incorporated into another Unit without the written consent of the Executive Board.
2. Each residential unit is hereby restricted to residential use by the Unit Owner thereof, his tenants, his immediate family, guests and invitees. Each of the Units is intended for independent use and shall be used only as a residence and for purposes incidental thereto.
3. There shall be no obstruction of the Common Elements nor shall anything be stored in or on the Common Elements without the prior written consent of the Executive Board. No Owner or group of Owners shall build, plant or maintain any matter or thing upon, over or under the Common Elements except with the express permission of the Council in writing first hand and obtained.
4. No trash, garbage, refuse, debris or excess materials of any kind shall be placed on or about the Common Elements except in receptacles specifically designated therefor. No one shall burn, chop, or cut anything on, over or above the Common Elements. Unit Owners shall not have any right to paint or otherwise decorate or change the appearance of any portion of the exterior of the building. Each Unit Owner is responsible to report promptly to the Executive Board any defect or need for repairs the responsibility for which is that of the Executive Board.
5. Unit Owners shall not cause or permit anything to be hung, painted or displayed on the outside of windows or doors or on the outside walls of the building and no sign, shutter, CB, radio, television or other antenna shall be affixed or placed upon the exterior walls or roof of the building without the prior written consent of the Executive Board.
6. No clothes, sheets, blankets, laundry of any kind or any other articles shall be hung or exposed on any part of the Common Elements.

The Association is comprised of all of the Unit Owners. The daily affairs of the Association are to be managed by the Executive Board, which will consist of five persons. All members of the Executive Board shall be appointed by Declarant until 60 days after 75% of the Residential Units have been conveyed by Declarant to others, at which time the Unit Owners shall hold a meeting to elect the Executive Board to replace the appointees of Declarant. Declarant will also have the right to remove any of its appointees at any time. After such meeting of Unit Owners, all members of the Executive Board must be either Unit Owners, or partners, shareholders, or officers of entities that are Unit Owners or designees of Declarant. Annual meetings of Unit Owners will take place on the third Tuesday in September of each year. Votes of Unit Owners will be allocated to Unit Owners in the same proportions as are the Percentage Interests appurtenant to the Units. The Declarant will be entitled to vote all votes allocated to units which it owns.

The Executive Board is required to meet at least once every four months. Its responsibilities include the approval of capital expenditures, the establishment of a budget for each fiscal year and the assessment against each Unit and Unit Owner of a portion of the funds necessary to operate under such budget. A majority of all Unit Owners may, however, reject any budget or capital expenditure approved by the Executive Board, within 30 days after such approval.

Each Unit's assessment for Common Expense shall be in proportion to its Percentage Interest, except that the Parking Units will participate only in the expense of repair and maintenance of the parking and driveway areas. Assessments for Common Expenses are made by the Executive Board and payable by the Unit Owners. If the amount assessed and collected by the Executive Board during any year is not sufficient to cover the actual Common Expenses of the Condominium, the Executive Board may make additional assessments for the fiscal year. Any assessment which a Unit Owner does not pay, when due, becomes a lien against such Unit Owner's Unit enforceable under the Act and in accordance with the Bylaws, which provide for a late charge of 5% of each overdue assessment as well as interest at the rate of 15% per annum or such other rate as the Executive Board may determine. In addition, if the Executive Board wishes to expend or borrow monies or incur expenses in an amount greater than 5% of the aggregate of all budgeted expenses for the fiscal year, such expenditures must have the prior approval of two-thirds of all Unit Owners, at either a regular meeting or a meeting called for such purpose.

The Executive Board elects its own officers and may employ a professional management agent for the condominium on terms which the Executive Board may determine.

Prior to such time as the Executive Board is elected by the Unit Owners, Declarant will not cause the Association to enter into (i) any management contract or employment contract or (ii) any contract or lease to which Declarant or an affiliate of Declarant is a party and which cannot be cancelled by the Association without cause upon 90 or fewer days' notice.

ARTICLE VI

LEASING

A Unit Owner may lease or sublease his Unit (but not less than his entire Unit) at any time and from time to time provided that: 1) no Unit may be leased or subleased for transient or hotel purposes or for an initial term of less than sixty (60) days; 2) no Unit may be leased or subleased without a written lease or sublease; 3) a copy of such lease or sublease shall be furnished to the Executive Board within ten (10) days after execution thereof; and 4) the rights of any lessee or sublessee of the Unit shall be subject to, and each such lessee or sublessee shall be bound by, the covenants, conditions and restrictions set forth in the Declaration, Bylaws and Rules and Regulations and a default thereunder shall constitute a default under the lease or sublease; provided, however, that the foregoing shall not impose any direct liability on any lessee or sublessee of a Unit to pay any Common Expense assessments on behalf of the Owner of that Unit.

ARTICLE VII

BUDGETS; COMMON EXPENSES; ASSESSMENTS AND ENFORCEMENT

Section 7.1. Monthly Payments. All Common Expense assessments made in order to meet the requirements of the Association's annual budget shall be deemed to be adopted and assessed on a monthly basis (rather than on an annual basis payable in monthly installments) and shall be due and payable in advance on the first day of each month. Special assessments shall be due and payable in one or more monthly payments, in advance, on the first day of each month, as determined by the Executive Board.

Section 7.2. Subordination of Certain Charges. Any fees, charges, late charges, fines and interest which may be levied by the Executive Board pursuant to Paragraphs 3302(a) (10), (11), and (12) of the Act, shall be subordinate to the lien of a mortgage on a Unit.

- C. Declarant shall assign (to the extent assignable) and deliver to each purchaser at settlement all guarantees and warranties Declarant has received on the systems and appliances contained in the Unit.
- D. For the purpose of this paragraph, "structural defects" means those defects in components constituting any Unit or Common Element which require repair, renovation, alteration or replacement and either (A) reduce the stability or safety of the structure below acceptable standards, or (B) restrict the normal intended use of all or any part of the structure.

The foregoing warranty shall not be construed to make Declarant responsible for any items of maintenance relating To the Unit or the Common Elements. The warranty described above will expire as follows:

- (i) as to Units, this warranty begins on the date that the Unit is conveyed to the purchaser and continues for a period of two years thereafter; and
- (ii) as to each Common Element as to which the Declarant makes this warranty, the warranty begins at the time of first unit therein is conveyed and continues for a period of two years thereafter.

EXCEPT AS SET FORTH ABOVE, THERE ARE NO OTHER WARRANTIES OR REPRESENTATIONS OF ANY KIND, EXPRESSED OR IMPLIED.

Judgments and Lawsuits

There are no judgments against the Association and there are no lawsuits pending against the condominium of which the Declarant has any knowledge.

Deposits

Any deposits made in connection with the purchase of a Unit shall be held by a financial institution in an interest-bearing escrow account in accordance with the provisions of Section 3408 of the Act. Any such deposit will be returned to the purchaser if he cancels an Agreement of Sale pursuant to Section 3406 of the Act. All interest earned by such account shall be credited to the purchaser.

Restraints on Alienation

There are no restraints on alienation of any portion of the Condominium. As noted above, however, a Unit Owner may not lease or sublease his Unit except as provided in the Declaration or give a mortgage on his Unit except as permitted by the Declaration.

ARTICLE IX
DECLARANT'S RIGHTS

Section 9.1. Control.

- a. Until the 60th day after conveyance of seventy-five percent (75%) of the Residential Units to Unit Owners other than Declarant, Declarant shall have the right to appoint and remove any and all officers and members of the Executive Board. Declarant may not unilaterally remove any members of the Executive Board elected by Unit Owners other than Declarant.
- b. Not later than 60 days after conveyance of twenty-five percent (25%) of the Residential Units to Unit Owners other than Declarant, two (40%) of the five members of the Executive Board shall be elected by Unit Owners other than Declarant.
- c. Not later than five years after the date of the recording of this Declaration all members of the Executive Board shall resign, and the Unit Owners (including Declarant to the extent of Units owned by Declarant) shall elect a new five member Executive Board.

ARTICLE X
LIMITATION OF LIABILITY

Section 10.1. Limited Liability of the Executive Board. The Executive Board, and its members in their capacity as members, officers and employees:

- a. Shall not be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for injury or damage to Persons or property caused by the elements or by another Unit Owner or Person on the Property, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any part of the Building, or from any of its pipes, drains conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Executive Board,
- b. Shall not be liable to the Unit Owners as a result of the performance of the Executive Board members' duties for any mistake of judgment, negligence or otherwise, except for the Executive Board members' own willful misconduct or gross negligence;

Present Condition of Components

The age and present condition of all structural components and mechanical and electrical installations, together with the expected useful life of each item and the current replacement costs of same are shown in the following schedule:

| <u>Item</u> | <u>Age</u> | <u>Present Condition</u> | <u>Expected Useful Life (Years)</u> | <u>Current Replacement Cost</u> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------------------------|-------------------------------------|---------------------------------|
| <u>STRUCTURAL</u> | | | | |
| Tower Structure | 20 | Good | 40 | See Below |
| Roofing/Insulation | 3 | Fair | 15 | \$40,000 |
| <u>HEATING AND AIR CONDITIONING</u> | | | | |
| Entire Unit | 20 | Fair | 8 | \$600/unit |
| Compressor | 20 | Fair | 8 | \$250/unit |
| Fan Motor | 20 | Fair | 8 | \$80/unit |
| Bearing | 20 | Fair | 8 | \$60/each |
| Control Thermostat | 20 | Fair | 8 | \$100/each |
| New Through-Wall Air-Conditioning Units | 0 | Excellent | 20 | \$600/unit |
| Kitchen Exhaust Fan1 | 20 | Fair | 10 | \$100/each |
| Bathroom Exhaust Fan2 | 20 | Fair | 10 | \$100/each |
| Corridor Ventilating Fan | 20 | Good | 20 | \$1,500 |
| Electrical Resistance Baseboard3 | 20 | Fair | 15 | \$150/unit |
| 1 Existing A/C units in living room will remain as part of proposed renovation work. | | | | |
| 2 As part of proposed renovation work, original exhaust fans are to be overhauled and reinstalled or replaced with new units, depending upon condition of original fans. | | | | |
| 3 As part of proposed renovation work, all original hot water baseboard units are to be removed and replaced with new electric resistance baseboard. | | | | |
| <u>PLUMBING</u> | | | | |
| Bath Fixtures: | | | | |
| Lav | 20 | Good | 10 | \$130/each |
| Tub | 20 | Good | 10 | \$300/each |
| Water Closet | 20 | Good | 10 | \$250/each |
| Bath Trim: | | | | |
| Lav | 0 | Excellent | 20 | \$60/each |
| Tub | 0 | Excellent | 20 | \$80/each |
| DWV Piping | 20 | Excellent | 50 | \$18/foot, avg. |
| Domestic Water Piping | 20 | Good | 30 | \$12/foot, avg. |

Section 10.3. Defense of Claims. Complaints brought against the Association, the Executive Board or the officers, employees or agents thereof in their respective capacities as such, or the Condominium as a whole, shall be directed to the Executive Board of the Association, which shall promptly give written notice thereof to the Unit Owners and the holders of any mortgages on Units and such complaints shall be defended by the Association. The Unit Owners and the holders of mortgages on Units shall have no rights to participate in such defense other than through the Association.

Section 10.4. The Executive Board shall obtain insurance to satisfy the indemnification obligation of the Association and all Unit Owners set forth in Section 10.2 above, if and to the extent available.

IN WITNESS WHEREOF, the said University Condominiums has caused its name to be signed to these presents by its General Partner on this 26TH day of FEBRUARY, 1986.

UNIVERSITY CONDOMINIUMS,
a Pennsylvania Limited Partnership

ATTEST:

BY: HFL CORPORATION, General Partner

Heidi G. Gault, Sec'y

BY: Thomas Z. Daley V.P.

UNIVERSITY TOWERS CONDOMINIUMS
ESTIMATED FIRST YEAR BUDGET

INCOME:

Condominium Fees
Laundry Income
TOTAL INCOME

\$ 72,357
4,713
\$ 77,070

*Budget
figure*

EXPENSES:

| | |
|----------------------------------------|------------------|
| Electricity (Common Areas) | \$ 8,400 |
| Cleaning | 4,500 |
| Insurance | 8,000 |
| Water and Sewer | 10,000 |
| Legal and Accounting | 1,500 |
| ✓ Elevator Maintenance & Repair ✓ | 4,100 |
| Refuse Removal | 3,870 |
| Exterminating | 3,000 |
| Maintenance and Repair | 10,000 |
| ✓ Parking Lot Maintenance and Repair ✓ | 2,000 |
| Management Fee | 11,000 |
| Reserve for Unanticipated Expenses | 3,000 |
| Reserve for Replacement | 7,700 |
| TOTAL EXPENSES | <u>\$ 77,070</u> |

All estimates were from previous experience with this building and with other condominium associations and property management.

DECLARATION
UNIVERSITY TOWERS CONDOMINIUMS

ARTICLE 1

SUBMISSION: DEFINED TERMS

Section 1.1. Declarant; Property; County; Name. University Condominiums, a Pennsylvania limited partnership (the "Declarant"), equitable owner of the Real Estate described in Exhibit A attached hereto, located in the Borough of State College, Centre County, Pennsylvania, hereby submits the Real Estate, including all easements, rights and appurtenances thereunto belonging and the Building and improvements erected thereon (collectively, the "Property") to the provisions of the Pennsylvania Uniform Condominium Act, 68 PA. C.S. Paragraph 3101 et seq. (the "ACT"), and hereby creates with respect to the Property a condominium, to be known as "University Towers Condominium" (the "Condominium").

Section 1.2. Easements and Licenses. Included among the easements, rights and appurtenances referred to in Section 1.1 above are the following recorded easements and licenses, and the Real Estate is hereby submitted to the Act: None.

Section 1.3. Defined Terms.

1.3.1. Capitalized terms not otherwise defined herein or in the Plats and Plans shall have the meanings specified or used in the Act.

1.3.2. The following terms are used or defined in general terms in the Act and shall have specific meanings herein as follows:

- a. "Association" means the Unit Owners' Association of the Condominium and shall be known as the "University Towers Association."
- b. "Building" means the building included in the Property.
- c. "Condominium" means the Condominium described in Section 1.1 above.
- d. "Declarant" means this Declarant described in Section 1.1 above and all successors to any Special Declarant Rights.
- e. "Declaration" means this document, as the same may be amended from time to time.
- f. "Executive Board" means the Executive Board of the Association.
- g. "Plats and Plans" means the Plats and Plans attached hereto as Exhibit C and made a part hereof, as the same may be amended from time to time.
- h. "Property" means the Property described in Section 1.1 above.
- i. "Unit" means a Unit as described herein and in the Plats and Plans.

1.3.3. The following term when used herein shall have the meaning set forth below:

- a. "Percentage Interest" means the undivided ownership interest in the Common Elements appurtenant to each Unit as set forth in Exhibit B attached, as the same may be amended from time to time.

ARTICLE II

ALLOCATION OF PERCENTAGE INTERESTS, VOTES AND COMMON EXPENSE LIABILITIES: UNIT IDENTIFICATION AND BOUNDARIES: MAINTENANCE RESPONSIBILITIES

Section 2.1. Percentage Interests. Attached as Exhibit B hereto is a list of all Units by their Identifying Numbers and the Percentage Interest appurtenant to each Unit. The Condominium consists of residential, commercial and parking units. The Percentage Interest shall determine the portion of the votes in the Association and the share of Common Expenses Liability appurtenant to each Unit, except that the Parking Units will participate only in the expense of repair and maintenance of the parking and driveway areas. The Percentage Interest appurtenant to each residential Unit is determined on the basis of size, by dividing the size of each Residential Unit by the aggregate sizes of all Residential Units. The size of each Unit is the total number of square feet of floor space contained therein determined by reference to the dimensions shown on the Plats and Plans.

Section 2.2. Unit Boundaries. Each Residential unit consists of the space within the following boundaries:

- a. Upper and Lower (horizontal) Boundaries: The upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the vertical boundaries:
 1. Upper Boundary: The horizontal plane of the bottom surface of the ceiling.
 2. Lower Boundary: The horizontal plane of the top surface of the unfinished floor.
- b. Vertical Boundaries: The vertical boundaries of the Unit shall be the vertical planes, extended to intersections with each other and with the upper and lower boundaries, formed by the Unit-side surface of the walls which surround the unit.

Section 2.3. Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the Common Elements and the Units by virtue of the foregoing boundary descriptions, the Units and Common Elements shall be maintained and repaired by each Unit Owner and by the Association in accordance with the provisions of Paragraph 3307 of the Act, except as expressly set forth to the contrary herein.

ARTICLE III

EASEMENTS

Section 3.1. Additional Easements. In addition to and in supplementation of the easements provided for by Paragraphs 3216, 3217, 3218 of the Act, the following easements are hereby created: None.

Section 3.1.1. Declarant's Use for Sales Purposes. Declarant shall have the right to maintain models, management offices and sales offices on the Property and to relocate such models, management offices and sales offices from time to time within the Property.

Section 3.1.2. Utility Easements. The Units and Common Elements shall be, and are hereby, made subject to easements in favor of the Declarant, appropriate utility and service companies and governmental agencies or authorities for such utility and service lines and equipment as may be necessary or desirable to service any portion of the Property. The easements created in this Section 3.1.2 shall include, without limitation, rights of Declarant, or the providing utility or service company, or governmental agency or authority to install, lay, maintain, repair, relocate and replace lines, pipes and conduits, water mains and pipes, sewer and drain lines, telephone wires and equipment, television equipment and facilities (cable or otherwise), electric wires, conduits and equipment and ducts and vents over, under, through, along and on the Units and Common Elements. Notwithstanding the foregoing provision of this Section 3.1.2, unless approved in writing by the Unit Owner or Unit Owners affected thereby, any such easements through a Unit shall be located either in substantially the same location as such facilities or similar facilities existed at the time of first conveyance of the Unit by the Declarant, or so as not to materially interfere with the use or occupancy of the Unit by its occupants.

ARTICLE IV

AMENDMENT OF DECLARATION

Section 4.1. Amendment Generally. This Declaration may be amended only in accordance with the procedures specified in Section 3219 of the Act, the other Sections of the Act referred to in Section 3219 thereof and the express provisions of this Declaration.

- g. The Common Elements shall be used only for the furnishing of the services and facilities for which they are intended and which are incident to the use and occupancy of the Units.
- h. Nothing shall be done or kept in any Unit or the Common Elements which will increase the rate of insurance for the Property, the improvements, or the contents thereof without prior written consent of the Executive Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance for the Property, the improvements, or the contents thereof, or which will be in violation of the law.
- i. No animals, livestock, fowl or poultry of any kind shall be raised, bred, or kept in any Unit or in the Common Elements unless otherwise provided by Rules and Regulations promulgated by the Executive Board.
- j. No noxious or offensive activity shall be permitted in any Unit or in or on the Common Elements nor shall anything be done therein either willfully or negligently which may be or become any annoyance or nuisance to the other Unit Owners or occupants.
- k. No industry, business, trade, occupation, or profession of any kind, be it commercial, religious, educational, or otherwise, may be conducted, maintained or permitted in the Residential Units.
- l. No one shall overload the electrical wiring in the Property or operate any machinery, appliance, accessories, or equipment in such a manner as to cause, in the judgment of the Executive Board any unreasonable disturbance, or make any alterations or connections with the heating or plumbing system without the prior written consent of the Executive Board.

Section 5.2. Reasonable Rules and Regulations, not in conflict with the provisions of this Declaration, concerning the use and enjoyment of the property, may be promulgated from time to time by the Executive Board, subject to the right of the Association to change such Rules and Regulations or any amendments thereto.

ARTICLE VI

LEASING

A Unit Owner may lease or sublease his Unit (but not less than his entire Unit) at any time and from time to time provided that: 1) no Unit may be leased or subleased for transient or hotel purposes or for an initial term of less than sixty (60) days; 2) no Unit may be leased or subleased without a written lease or sublease; 3) a copy of such lease or sublease shall be furnished to the Executive Board within ten (10) days after execution thereof; and 4) the rights of any lessee or sublessee of the Unit shall be subject to, and each such lessee or sublessee shall be bound by, the covenants, conditions and restrictions set forth in the Declaration, Bylaws and Rules and Regulations and a default thereunder shall constitute a default under the lease or sublease; provided, however, that the foregoing shall not impose any direct liability on any lessee or sublessee of a Unit to pay any Common Expense assessments on behalf of the Owner of that Unit.

ARTICLE VII

BUDGETS; COMMON EXPENSES; ASSESSMENTS AND ENFORCEMENT

Section 7.1. Monthly Payments. All Common Expense assessments made in order to meet the requirements of the Association's annual budget shall be deemed to be adopted and assessed on a monthly basis (rather than on an annual basis payable in monthly installments) and shall be due and payable in advance on the first day of each month. Special assessments shall be due and payable in one or more monthly payments, in advance, on the first day of each month, as determined by the Executive Board.

Section 7.2. Subordination of Certain Charges. Any fees, charges, late charges, fines and interest which may be levied by the Executive Board pursuant to Paragraphs 3302(a) (10), (11), and (12) of the Act, shall be subordinate to the lien of a mortgage on a Unit.

ARTICLE VIII

RIGHTS OF PERMITTED MORTGAGEES

Section 8.1. Reports and Notices. Upon the specific written request of a holder of a mortgage on a Unit or its servicer to the Executive Board, the mortgagee shall be entitled to receive some or all of the following as designated in the request:

- a. Copies of budgets, notices or assessment, or any other notices or statements provided under this Declaration by the Executive Board to the Owner of the Unit covered by the mortgage;
- b. Any audited or unaudited financial statements of the Association which are prepared for the Association and distributed to the Unit Owners;
- c. Copies of notices of meetings of the Unit Owners and the right to designate a representative to attend such meetings;
- d. Notice of the decision of the Unit Owners to make any material amendment to this Declaration,
- e. Notice of substantial damage to or destruction of any Unit (the repair of which would cost in excess of \$1,000) or any part of the Common Elements (the repair of which would cost in excess of \$10,000),
- f. Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Property;
- g. Notice of any default by the owner of the Unit which is subject to the mortgage, where such default is not cured by the Unit Owner within thirty (30) days after the giving of notice by the Association to the Unit Owner of the existence of the default.

The request of a mortgagee or its servicer shall specify which of the above items it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Executive Board. The Executive Board need not inquire into the validity of any request made by a mortgagee hereunder.

Failure to comply with the requirements set forth above shall in no way invalidate otherwise proper actions of the Association and the Executive Board.

ARTICLE IX
DECLARANT'S RIGHTS

Section 9.1. Control.

- a. Until the 60th day after conveyance of seventy-five percent (75%) of the Residential Units to Unit Owners other than Declarant, Declarant shall have the right to appoint and remove any and all officers and members of the Executive Board. Declarant may not unilaterally remove any members of the Executive Board elected by Unit Owners other than Declarant.
- b. Not later than 60 days after conveyance of twenty-five percent (25%) of the Residential Units to Unit Owners other than Declarant, two (40%) of the five members of the Executive Board shall be elected by Unit Owners other than Declarant.
- c. Not later than five years after the date of the recording of this Declaration all members of the Executive Board shall resign, and the Unit Owners (including Declarant to the extent of Units owned by Declarant) shall elect a new five member Executive Board.

ARTICLE X
LIMITATION OF LIABILITY

Section 10.1. Limited Liability of the Executive Board. The Executive Board, and its members in their capacity as members, officers and employees:

- a. Shall not be liable for the failure of any service to be obtained by the Executive Board and paid for by the Association, or for ~~injury or damage to Persons or property caused by the elements or~~ by another Unit Owner or Person on the Property, or resulting from electricity, gas, water, rain, dust or sand which may leak or flow from the outside or from any part of the Building, or from any of its pipes, drains conduits, appliances, or equipment, or from any other place unless in each such instance such injury or damage has been caused by the willful misconduct or gross negligence of the Association or the Executive Board,
- b. Shall not be liable to the Unit Owners as a result of the performance of the Executive Board members' duties for any mistake of judgment, negligence or otherwise, except for the Executive Board members' own willful misconduct or gross negligence;

- ic. Shall have no personal liability in contract to a Unit Owner or any other person or entity under any agreement, check, contract, deed, lease, mortgage, instrument or transaction entered into by them on behalf of the Executive Board or the Association in the performance of the Executive Board members' duties;
- d. Shall not be liable to a Unit Owner, or such Unit Owner's tenants, employees, agents, customers or guests, for loss or damage caused by theft of or damage to personal property left by such Unit Owner or his tenants, employees, agents, customers or guests in a Unit, or in or on the Common Elements, except for the Executive Board members' own willful misconduct or gross negligence.
- e. Shall have no personal liability in tort to a Unit Owner or any other person or entity, direct or imputed, by virtue of acts performed by or for them, except for the Executive Board members' own willful misconduct or gross negligence in the performance of their duties; and
- f. Shall have no personal liability arising out of the use, misuse or condition of the Building, or which might in any other way be assessed against or imputed to the Executive Board members as a result of or by virtue of their performance of their duties, except for the Executive Board members' own willful misconduct or gross negligence.

Section 10.2. Indemnification. Each member of the Executive Board, in his capacity as an Executive Board member, officer or both, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding in which he may become involved by reason of his being or having been a member and/or officer of the Executive Board, or any settlement of any such proceeding, whether or not he is an Executive Board member, officer or both at the time such expenses are incurred, except in such cases wherein such Executive Board member and/or officer is adjudged guilty of willful misconduct or gross negligence in the performance of his duties; provided that, in the event of a settlement, this indemnification shall apply only if and when the Executive Board (with the affected member abstaining if he is then an Executive Board member) approves such settlement and reimbursement as being in the best interests of the Association, and provided further that, indemnification hereunder with respect to best interests of the Association; and provided further that, indemnification hereunder with respect to any criminal action or proceeding is permitted only if such Executive Board member and/or officer had no reasonable cause to believe his conduct was unlawful. The indemnification by the Unit Owners set forth in this Section 10.2 shall be paid by the Association on behalf of the Unit Owners and shall constitute a Common Expense and shall be assessed and collectible as such. Such right of indemnification shall not be deemed exclusive of any other rights to which such Executive Board member and/or officer may be entitled as a matter of law or agreement or by vote of the Unit Owners or otherwise.

Section 10.3. Defense of Claims. Complaints brought against the Association, the Executive Board or the officers, employees or agents thereof in their respective capacities as such, or the Condominium as a whole, shall be directed to the Executive Board of the Association, which shall promptly give written notice thereof to the Unit Owners and the holders of any mortgages on Units and such complaints shall be defended by the Association. The Unit Owners and the holders of mortgages on Units shall have no rights to participate in such defense other than through the Association.

Section 10.4. The Executive Board shall obtain insurance to satisfy the indemnification obligation of the Association and all Unit Owners set forth in Section 10.2 above, if and to the extent available.

IN WITNESS WHEREOF, the said University Condominiums has caused its name to be signed to these presents by its General Partner on this 26TH day of FEBRUARY, 1986.

UNIVERSITY CONDOMINIUMS,
a Pennsylvania Limited Partnership

ATTEST:

BY: HFL CORPORATION, General Partner

Hej Anhalt, Sec'y

BY: Thomas Z. Dalry V.P.

COMMONWEALTH OF PENNSYLVANIA

SS:

COUNTY OF CENTRE

I, Joseph V. Orlando, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Thomas L. Daley, whose name is subscribed to the foregoing Declaration of Condominium as Vice President of HFL Corporation, General Partner of University Condominiums, personally appeared before me this day, and he acknowledged and swore that he signed, sealed and delivered the said instrument as a free and voluntary act and deed for the uses and purposes therein set forth and that the statements therein contained are true.

Given under my hand and notarial seal this 26th day of February, 1986.


Notary Public
My Commission Expires

JOSEPH V. ORLANDO, Notary Public
State College, Centre Co., Pa.
My Commission Expires June 15, 1987

EXHIBIT "A"

LEGAL DESCRIPTION OF THE REAL ESTATE

ALL THAT PARCEL OF LAND situated in State College Borough, Centre County, Pennsylvania as shown on the "University Towers - Condominium Conversion Plan" as prepared by Sweetland Engineering & Associates, Inc., dated July 11, 1985, revised to 12/19/85 and on file at the Centre County Recorders Office in Plat Book 35, Page 6, bounded and described as follows:

BEGINNING at an existing 1/2" iron pipe along the southeastern right-of-way line of East College Avenue, said point being a common corner between the northwestern corner of land N/F of Irma M. Zipser and the northeastern corner of the herein described parcel; Thence along said land N/F of Irma M. Zipser S 41° 45' 29" E, 222.39 feet to a 3/4" re-bar set along the northwestern right-of-way line of Calder Alley (being a 33 foot wide right-of-way); Thence along said northwestern right-of-way line of Calder Alley S 48° 25' 29" W, 107.94 feet to a 3/4" re-bar set at the southeastern corner of land N/F of the College Township Industrial Development Authority; Thence along said land N/F of the College Township Industrial Development Authority N 41° 39' 39" W, 222.54 feet to a 3/4" re-bar set along said southeastern right-of-way line of East College Avenue; Thence along said southeastern right-of-way line of East College Avenue N 48° 30' 11" E, 107.56 feet to a point of beginning.

CONTAINING 23,971 square feet of land gross measure.

UNDER AND SUBJECT, NEVERTHELESS, to all existing easements, conditions, restrictions and covenants of record.

EXHIBIT "B"

UNIT
NUMBERPERCENTAGE INTEREST,
COMMON ELEMENTSMONTHLY COMMON
EXPENSE ASSESSMENTS*

| | | |
|------|-----------|----------|
| #B01 | 7.86170 | \$391.68 |
| #101 | 3.65464 ✓ | \$182.65 |
| #102 | 3.93013 | \$195.31 |
| #103 | 5.75386 ✓ | \$286.11 |
| #201 | 0.87241 | \$ 55.00 |
| #202 | 0.89249 | \$ 56.00 |
| #203 | 0.87241 | \$ 55.00 |
| #204 | 0.86810 | \$ 55.00 |
| #205 | 0.87241 | \$ 55.00 |
| #206 | 0.87241 | \$ 55.00 |
| #207 | 0.86954 | \$ 55.00 |
| #208 | 0.86810 | \$ 55.00 |
| #209 | 0.66865 | \$ 42.00 |
| #210 | 0.66435 | \$ 42.00 |
| #211 | 0.66865 | \$ 42.00 |
| #212 | 0.87097 | \$ 55.00 |
| #213 | 0.86954 | \$ 55.00 |
| #214 | 0.88245 | \$ 55.00 |
| #215 | 0.88245 | \$ 55.00 |
| #301 | 0.87814 | \$ 55.00 |
| #302 | 0.89249 | \$ 56.00 |
| #303 | 0.86954 | \$ 55.00 |
| #304 | 0.86954 | \$ 55.00 |
| #305 | 0.87241 | \$ 55.00 |
| #306 | 0.87384 | \$ 55.00 |

EXHIBIT "B" (Cont'd)

| UNIT NUMBER | PERCENTAGE INTEREST, COMMON ELEMENTS | MONTHLY COMMON EXPENSE ASSESSMENTS* |
|----------------|-----------------------------------------|----------------------------------------|
| #307 | 0.87241 | \$ 55.00 |
| #308 | 0.86667 | \$ 55.00 |
| #309 | 0.66865 | \$ 42.00 |
| #310 | 0.66578 | \$ 42.00 |
| #311 | 0.66865 | \$ 42.00 |
| #312 | 0.87241 | \$ 55.00 |
| #313 | 0.86667 | \$ 55.00 |
| #314 | 0.88245 | \$ 55.00 |
| #315 | 0.88245 | \$ 55.00 |
| #401 | 0.87241 | \$ 55.00 |
| #402 | 0.88962 | \$ 56.00 |
| #403 | 0.86954 | \$ 55.00 |
| #404 | 0.87241 | \$ 55.00 |
| #405 | 0.87241 | \$ 55.00 |
| #406 | 0.86667 | \$ 55.00 |
| #407 | 0.86954 | \$ 55.00 |
| #408 | 0.86954 | \$ 55.00 |
| #409 | 0.66865 | \$ 42.00 |
| #410 | 0.66578 | \$ 42.00 |
| #411 | 0.66865 | \$ 42.00 |
| #412 | 0.86954 | \$ 55.00 |
| #413 | 0.87241 | \$ 55.00 |
| #414 | 0.88245 | \$ 55.00 |
| #415 | 0.88245 | \$ 55.00 |

315
105

EXHIBIT "B" (Cont'd)

| UNIT NUMBER | PERCENTAGE INTEREST, COMMON ELEMENTS | MONTHLY COMMON EXPENSE ASSESSMENTS* |
|----------------|-----------------------------------------|----------------------------------------|
| #501 | 0.87241 | \$ 55.00 |
| #502 | 0.88962 | \$ 56.00 |
| #503 | 0.87384 | \$ 55.00 |
| #504 | 0.87384 | \$ 55.00 |
| #505 | 0.87384 | \$ 55.00 |
| #506 | 0.86810 | \$ 55.00 |
| #507 | 0.86954 | \$ 55.00 |
| #508 | 0.87097 | \$ 55.00 |
| #509 | 0.66865 | \$ 42.00 |
| #510 | 0.66435 | \$ 42.00 |
| #511 | 0.67008 | \$ 42.00 |
| #512 | 0.86810 | \$ 55.00 |
| #513 | 0.87097 | \$ 55.00 |
| #514 | 0.88245 | \$ 55.00 |
| #515 | 0.88245 | \$ 55.00 |
| #601 | 0.87384 | \$ 55.00 |
| #602 | 0.88962 | \$ 56.00 |
| #603 | 0.87241 | \$ 55.00 |
| #604 | 0.87241 | \$ 55.00 |
| #605 | 0.87384 | \$ 55.00 |
| #606 | 0.87384 | \$ 55.00 |
| #607 | 0.86954 | \$ 55.00 |
| #608 | 0.86810 | \$ 55.00 |
| #609 | 0.66865 | \$ 42.00 |
| #610 | 0.66722 | \$ 42.00 |

EXHIBIT "B" (Cont'd)

| UNIT NUMBER | PERCENTAGE INTEREST, COMMON ELEMENTS | MONTHLY COMMON EXPENSE ASSESSMENTS* |
|----------------|-----------------------------------------|----------------------------------------|
|----------------|-----------------------------------------|----------------------------------------|

| | | |
|------|---------|----------|
| #611 | 0.66865 | \$ 42.00 |
| #612 | 0.87097 | \$ 55.00 |
| #613 | 0.87384 | \$ 55.00 |
| #614 | 0.88245 | \$ 55.00 |
| #615 | 0.88245 | \$ 55.00 |
| #701 | 0.87384 | \$ 55.00 |
| #702 | 0.88962 | \$ 56.00 |
| #703 | 0.87241 | \$ 55.00 |
| #704 | 0.87241 | \$ 55.00 |
| #705 | 0.87384 | \$ 55.00 |
| #706 | 0.87241 | \$ 55.00 |
| #707 | 0.86954 | \$ 55.00 |
| #708 | 0.86810 | \$ 55.00 |
| #709 | 0.66865 | \$ 42.00 |
| #710 | 0.66578 | \$ 42.00 |
| #711 | 0.66865 | \$ 42.00 |
| #712 | 0.86954 | \$ 55.00 |
| #713 | 0.87384 | \$ 55.00 |
| #714 | 0.88245 | \$ 55.00 |
| #715 | 0.88245 | \$ 55.00 |
| P-1 | 0.09698 | \$ 7.00 |
| P-2 | 0.10642 | \$ 7.00 |
| P-3 | 0.10642 | \$ 7.00 |
| P-4 | 0.10642 | \$ 7.00 |

315
7
105

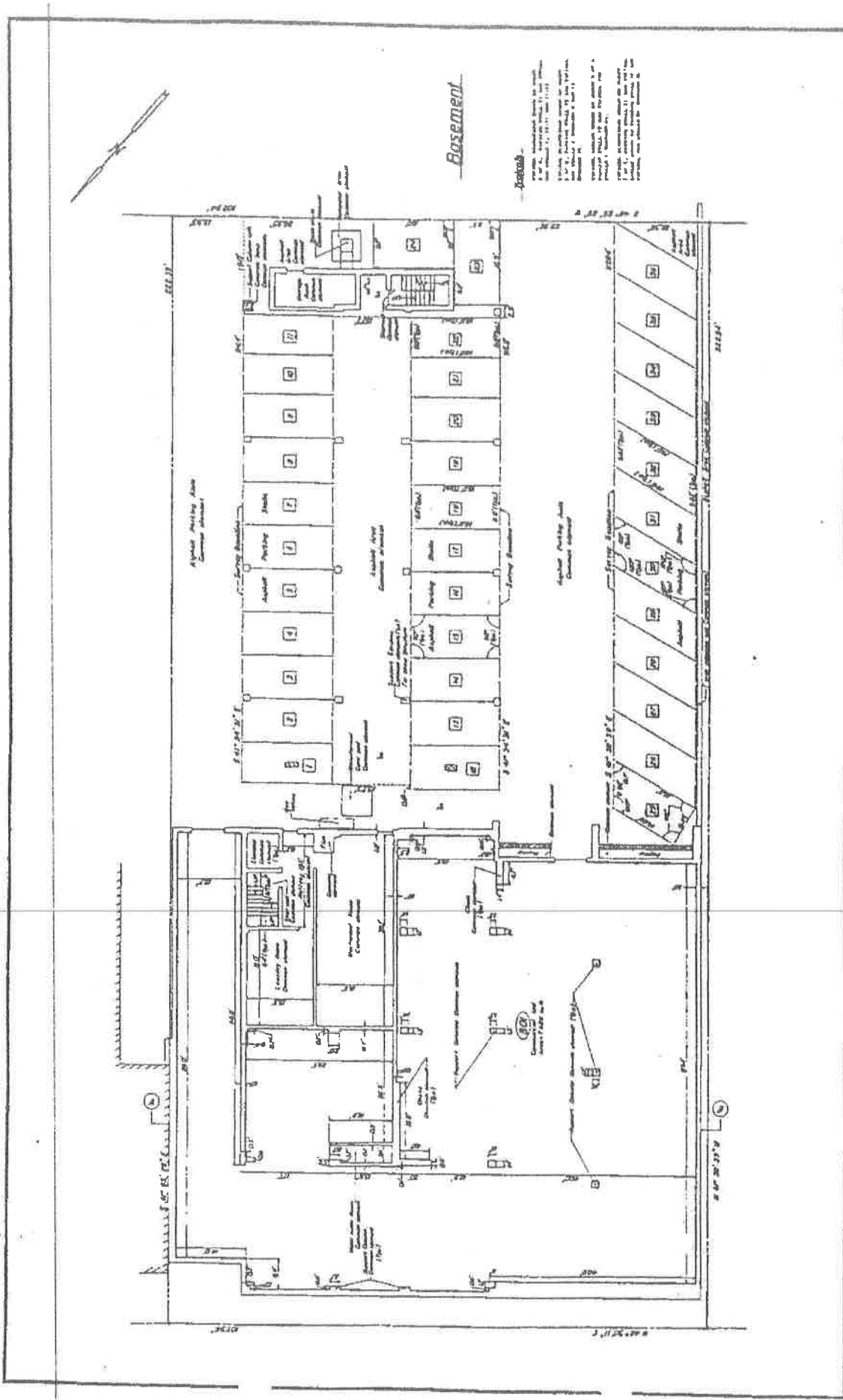
315
7
105

EXHIBIT "B" (Cont'd)

| UNIT NUMBER | PERCENTAGE INTEREST, COMMON ELEMENTS | MONTHLY COMMON EXPENSE ASSESSMENTS* |
|----------------|-----------------------------------------|----------------------------------------|
| P-5 | 0.10642 | \$ 7.00 |
| P-6 | 0.10642 | \$ 7.00 |
| P-7 | 0.10642 | \$ 7.00 |
| P-8 | 0.10642 | \$ 7.00 |
| P-9 | 0.10642 | \$ 7.00 |
| P-10 | 0.09698 | \$ 7.00 |
| P-11 | 0.09698 | \$ 7.00 |
| P-12 | 0.10642 | \$ 7.00 |
| P-13 | 0.10642 | \$ 7.00 |
| P-14 | 0.10642 | \$ 7.00 |
| P-15 | 0.10642 | \$ 7.00 |
| P-16 | 0.10642 | \$ 7.00 |
| P-17 | 0.10642 | \$ 7.00 |
| P-18 | 0.10642 | \$ 7.00 |
| P-19 | 0.10642 | \$ 7.00 |
| P-20 | 0.10642 | \$ 7.00 |
| P-21 | 0.09698 | \$ 7.00 |
| P-22 | 0.09698 | \$ 7.00 |
| P-23 | 0.10573 | \$ 7.00 |
| P-24 | 0.10506 | \$ 7.00 |
| P-25 | 0.09496 | \$ 7.00 |
| P-26 | 0.10911 | \$ 7.00 |
| P-27 | 0.10911 | \$ 7.00 |
| P-28 | 0.10911 | \$ 7.00 |

EXHIBIT "B" (Cont'd)

| UNIT NUMBER | PERCENTAGE INTEREST, COMMON ELEMENTS | MONTHLY COMMON EXPENSE ASSESSMENTS* |
|----------------|-----------------------------------------|----------------------------------------|
| P-29 | 0.10911 | \$ 7.00 |
| P-30 | 0.10911 | \$ 7.00 |
| P-31 | 0.10911 | \$ 7.00 |
| P-32 | 0.10911 | \$ 7.00 |
| P-33 | 0.10911 | \$ 7.00 |
| P-34 | 0.10911 | \$ 7.00 |
| P-35 | 0.10911 | \$ 7.00 |
| P-36 | 0.10911 | \$ 7.00 |



Basement

Notes: 1. All dimensions are in feet and inches. 2. All dimensions are to the center of the wall unless otherwise noted. 3. All dimensions are to the center of the column unless otherwise noted. 4. All dimensions are to the center of the door unless otherwise noted. 5. All dimensions are to the center of the window unless otherwise noted. 6. All dimensions are to the center of the stair unless otherwise noted. 7. All dimensions are to the center of the elevator unless otherwise noted. 8. All dimensions are to the center of the shaft unless otherwise noted. 9. All dimensions are to the center of the core unless otherwise noted. 10. All dimensions are to the center of the riser unless otherwise noted. 11. All dimensions are to the center of the landing unless otherwise noted. 12. All dimensions are to the center of the platform unless otherwise noted. 13. All dimensions are to the center of the balcony unless otherwise noted. 14. All dimensions are to the center of the terrace unless otherwise noted. 15. All dimensions are to the center of the roof unless otherwise noted. 16. All dimensions are to the center of the ground unless otherwise noted. 17. All dimensions are to the center of the sky unless otherwise noted. 18. All dimensions are to the center of the earth unless otherwise noted. 19. All dimensions are to the center of the universe unless otherwise noted. 20. All dimensions are to the center of the world unless otherwise noted.

| | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| <p>City of Clark County, Nevada Planning and Zoning Department 1000 S. Carson Ave., Suite 200, Las Vegas, NV 89102 Tel: (702) 733-1100 Fax: (702) 733-1101 www.clarkcountynv.gov</p> | <p>UNIVERSITY TOWERS CONDOMINIUM CONVERSION PLAN</p> | <p>Sweetland Engineering & Associates, Inc. 1000 S. Carson Ave., Suite 200, Las Vegas, NV 89102 Tel: (702) 733-1100 Fax: (702) 733-1101 www.sweetlandeng.com</p> | <p>Project No. 1000 S. Carson Ave., Suite 200, Las Vegas, NV 89102 Sheet No. D-999 Date: 10/1/00 Scale: 1/8" = 1'-0"</p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|

EXHIBIT C-2

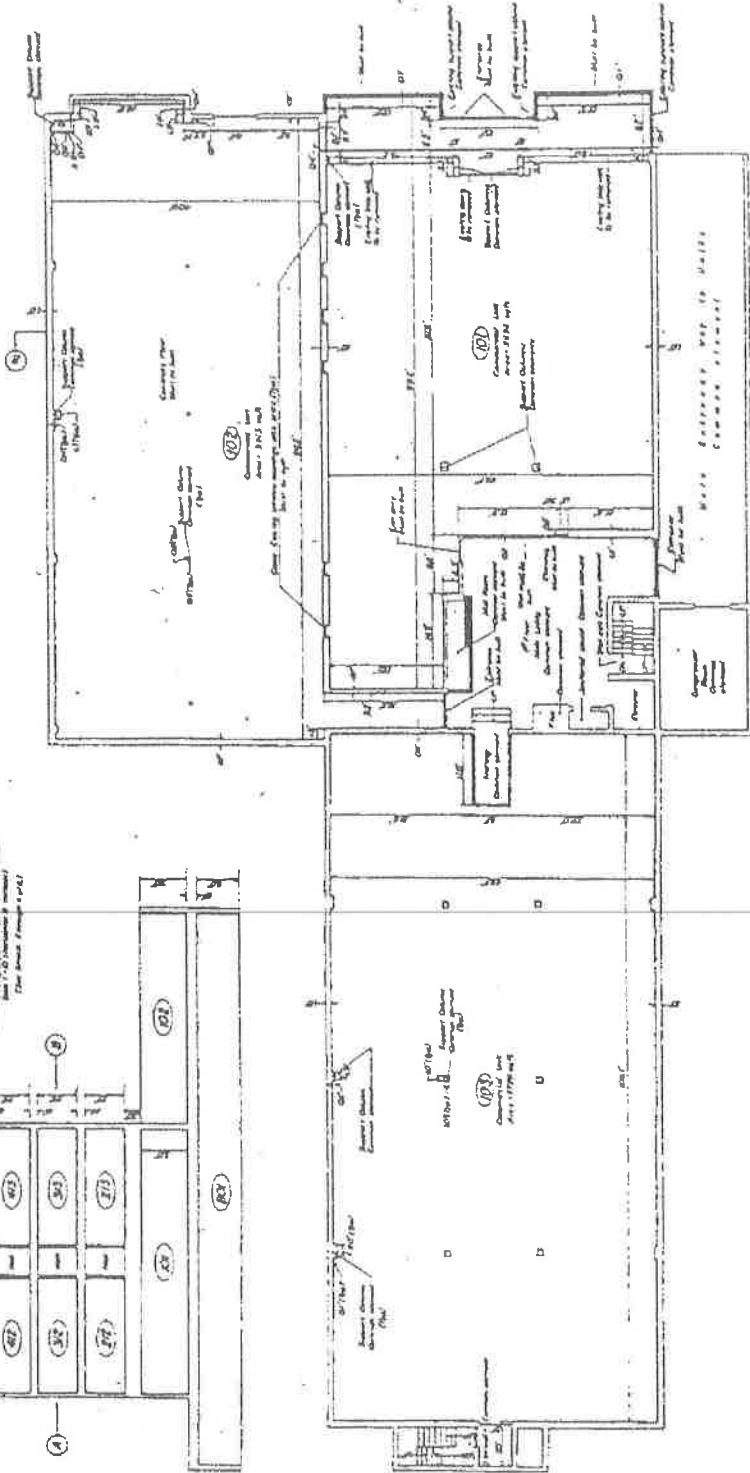
| | |
|-----------|-----------------|
| Owner | City of Chicago |
| Architect | James H. McGee |
| Engineer | James H. McGee |
| Surveyor | James H. McGee |

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 712 | 713 | 714 | 715 | 716 | 717 | 718 | 719 | 720 | 721 | 722 | 723 | 724 | 725 | 726 | 727 | 728 | 729 | 730 | 731 | 732 | 733 | 734 | 735 | 736 | 737 | 738 | 739 | 740 | 741 | 742 | 743 | 744 | 745 | 746 | 747 | 748 | 749 | 750 | 751 | 752 | 753 | 754 | 755 | 756 | 757 | 758 | 759 | 760 | 761 | 762 | 763 | 764 | 765 | 766 | 767 | 768 | 769 | 770 | 771 | 772 | 773 | 774 | 775 | 776 | 777 | 778 | 779 | 780 | 781 | 782 | 783 | 784 | 785 | 786 | 787 | 788 | 789 | 790 | 791 | 792 | 793 | 794 | 795 | 796 | 797 | 798 | 799 | 800 | 801 | 802 | 803 | 804 | 805 | 806 | 807 | 808 | 809 | 810 | 811 | 812 | 813 | 814 | 815 | 816 | 817 | 818 | 819 | 820 | 821 | 822 | 823 | 824 | 825 | 826 | 827 | 828 | 829 | 830 | 831 | 832 | 833 | 834 | 835 | 836 | 837 | 838 | 839 | 840 | 841 | 842 | 843 | 844 | 845 | 846 | 847 | 848 | 849 | 850 | 851 | 852 | 853 | 854 | 855 | 856 | 857 | 858 | 859 | 860 | 861 | 862 | 863 | 864 | 865 | 866 | 867 | 868 | 869 | 870 | 871 | 872 | 873 | 874 | 875 | 876 | 877 | 878 | 879 | 880 | 881 | 882 | 883 | 884 | 885 | 886 | 887 | 888 | 889 | 890 | 891 | 892 | 893 | 894 | 895 | 896 | 897 | 898 | 899 | 900 | 901 | 902 | 903 | 904 | 905 | 906 | 907 | 908 | 909 | 910 | 911 | 912 | 913 | 914 | 915 | 916 | 917 | 918 | 919 | 920 | 921 | 922 | 923 | 924 | 925 | 926 | 927 | 928 | 929 | 930 | 931 | 932 | 933 | 934 | 935 | 936 | 937 | 938 | 939 | 940 | 941 | 942 | 943 | 944 | 945 | 946 | 947 | 948 | 949 | 950 | 951 | 952 | 953 | 954 | 955 | 956 | 957 | 958 | 959 | 960 | 961 | 962 | 963 | 964 | 965 | 966 | 967 | 968 | 969 | 970 | 971 | 972 | 973 | 974 | 975 | 976 | 977 | 978 | 979 | 980 | 981 | 982 | 983 | 984 | 985 | 986 | 987 | 988 | 989 | 990 | 991 | 992 | 993 | 994 | 995 | 996 | 997 | 998 | 999 | 1000 |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|

Section A-B (See Section 1000)



First Floor



City of Chicago, Illinois

Approved for the City of Chicago, Illinois, by the Mayor, Richard Daley, on this 10th day of May, 1960.

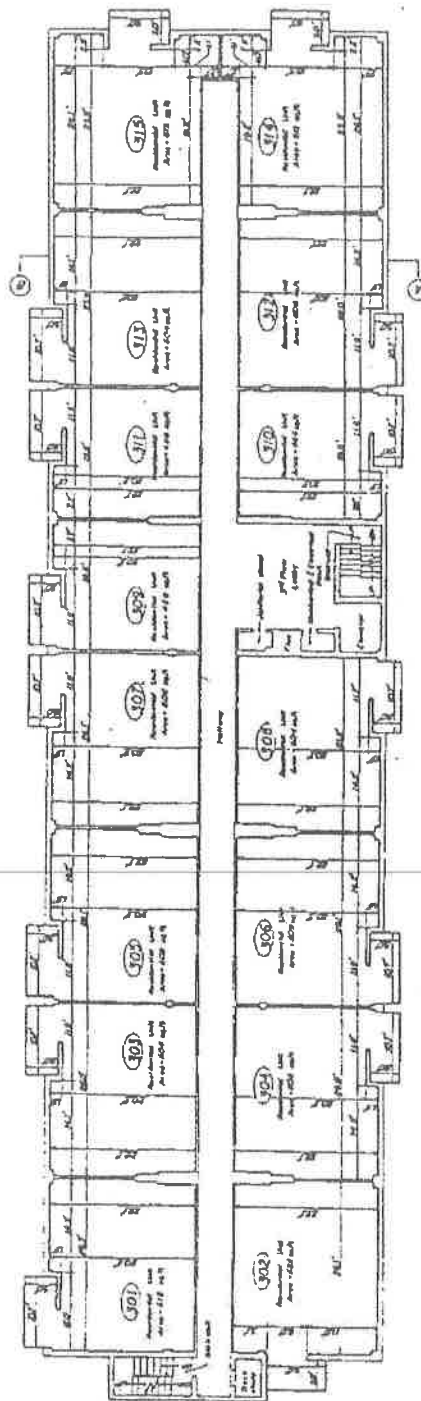
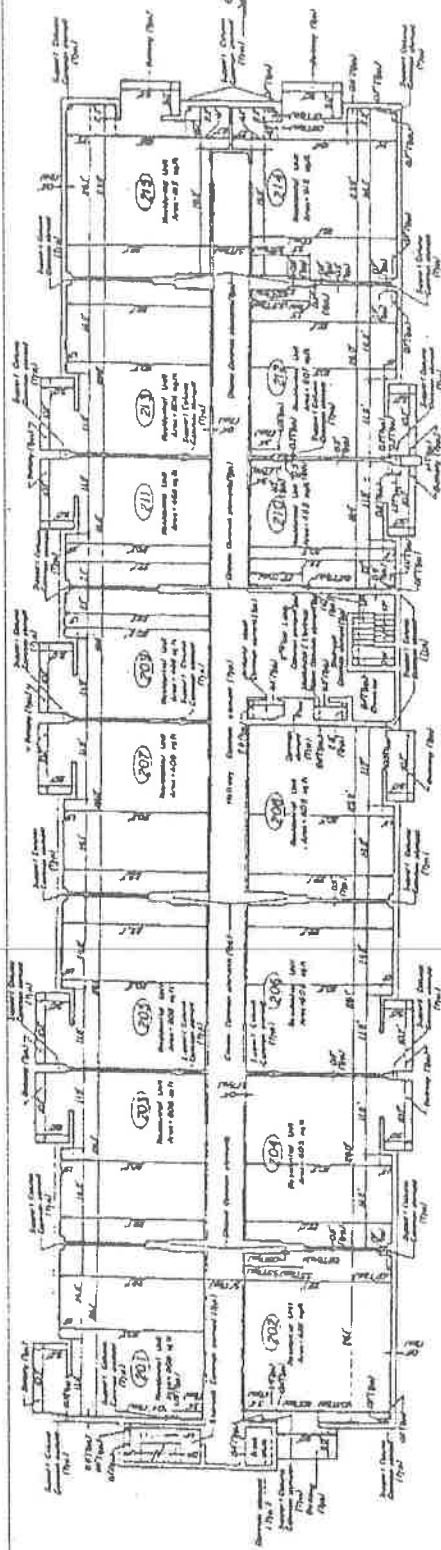
WILLIAM H. MCGEE

"University Towers"
 Condominium Conversion Plan

Sweetland
 Engineering &
 Associates, Inc.



| | |
|--------------|-------------------|
| Project Name | University Towers |
| Project No. | D-560 |
| Sheet No. | 3 of 6 |



Center for the Study of the History of the

(Faint handwritten notes at the bottom of the page)



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"University Towers"
Condominium Conversion Plan

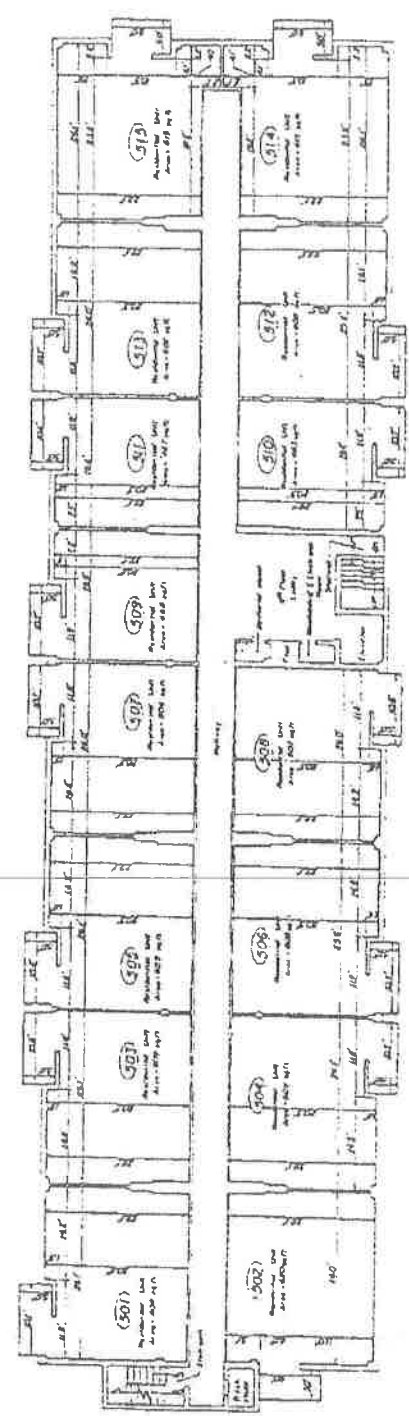
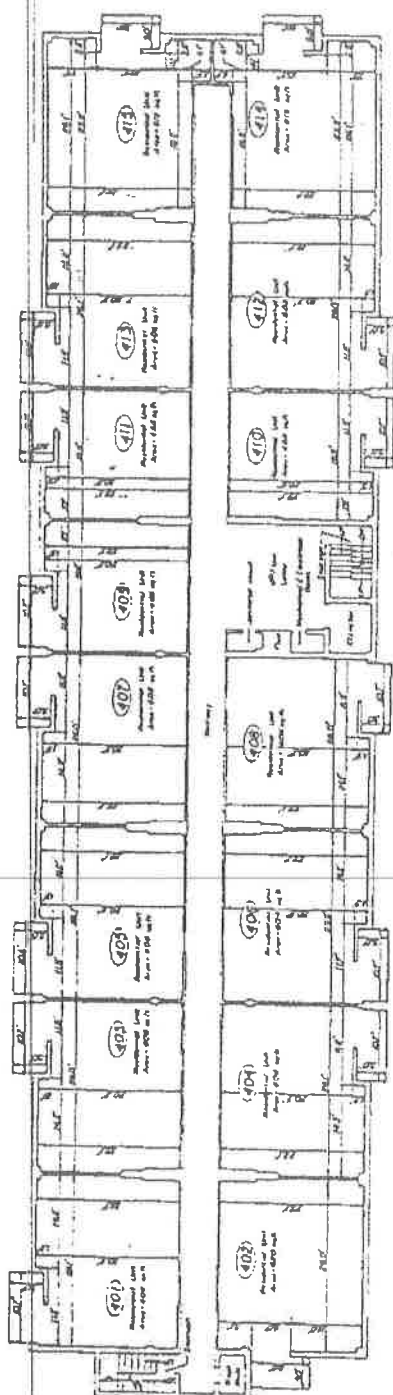
Condominium Conversion Plan

Sweetland
Engineering &
Associates, Inc.

8270 R. Quinlan Ave. Fresno, California 93720

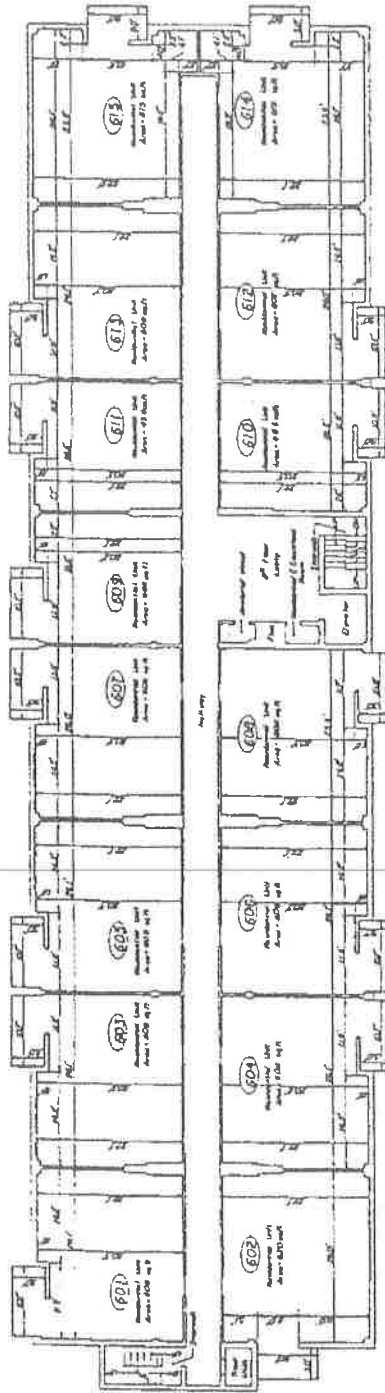


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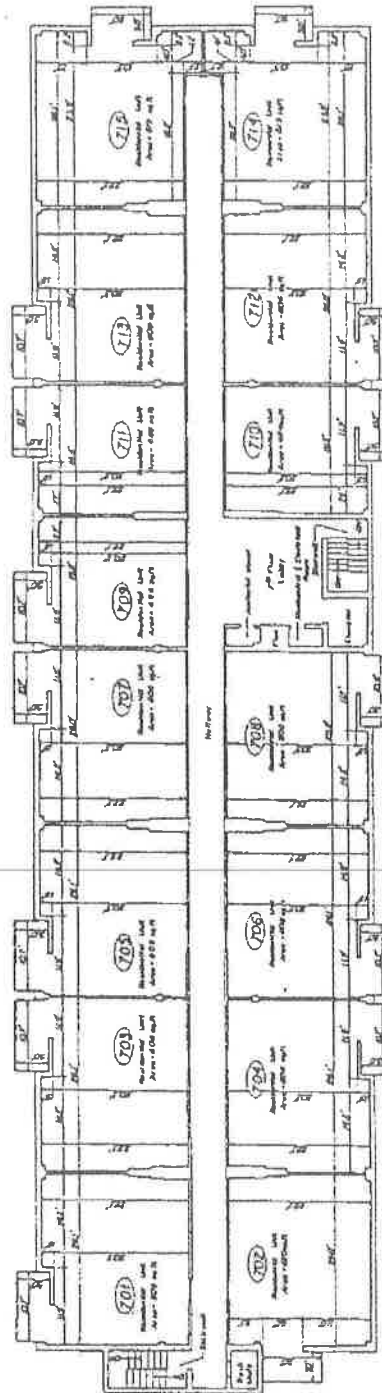


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| CONSTRUCTION RECORDS No. _____ Date _____ By _____ For _____ | RHHH | <u>"University Towers"</u> <u>Condominium Conversion Plan</u> | Sweetland Engineering & Associates, Inc. 1000 N. Center Ave., Suite 1000, Chicago, Ill. 60606 | Project No. _____ Drawing No. _____ Date _____ Scale _____ Sheet _____ of _____ |
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EXHIBIT C-5



Sixth Floor



Seventh Floor

Curtis Construction
 Prepared in the
 State of New York
 and County of New York
 on this 1st day of
 May, 1978.

Scale: 1/8" = 1'-0"

"University Towers"
 Condominium Conversion Plan

Sweetland
 Engineering &
 Associates, Inc.



| | | | | |
|--------------|-------|--------------|------------------------------------------|-------------|
| Project No. | MOBIS | Sheet No. | D-585 | Page 8 of 8 |
| Client | MOBIS | Architect | Sweetland Engineering & Associates, Inc. | |
| Engineer | MOBIS | Engineer | Sweetland Engineering & Associates, Inc. | |
| Project Name | MOBIS | Project Name | MOBIS | |

University Towers

condominiums

Bylaws

BYLAWS
OF
UNIVERSITY TOWERS CONDOMINIUM ASSOCIATION

ARTICLE I
INTRODUCTORY PROVISIONS

Section 1.1. Applicability. These Bylaws provide for the governance of the Association pursuant to the requirements of Section 3306 of the Uniform Condominium Act with respect to the Condominium created by recording of the Declaration among the land records of Centre County, Pennsylvania

Section 1.2. Definitions. Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration to which these Bylaws pertain or, if not defined therein, the meanings specified or used for such terms in the Act.

Section 1.3. Compliance. Pursuant to the provisions of the Act, every Unit Owner and all Persons entitled to occupy a Unit shall comply with these Bylaws.

Section 1.4. Office. The office of the Condominium, the Association, and the Executive Board shall be located at the Property or at such other place as may be designated from time to time by the Executive Board.

ARTICLE II
THE ASSOCIATION

Section 2.1. Composition. The association is hereby organized on the date hereof as an unincorporated association. The Association shall consist of all of the Unit Owners acting as a group in accordance with the Act, the Declaration and these Bylaws. The Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting assessments and charges, arranging for the management of the Condominium and performing all of the other acts that may be required or permitted to be performed by the Association pursuant to the Act and the Declaration. The foregoing responsibilities shall be performed by the Executive Board as more particularly set forth in these Bylaws.

Section 2.2. Annual Meetings. The annual meetings of the Association shall be held on the third Tuesday of September of each year unless such date shall occur on a holiday, in which event the meeting shall be held on the succeeding Monday. At such annual meetings the Executive Board shall be elected by ballot of the Unit Owners in accordance with the requirements of Section 3.3 of these Bylaws (subject to Article IX of the Declaration) and such other business as may properly come before the meeting may be transacted.

Section 2.3. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Unit Owners as may be designated by the Executive Board.

Section 2.4. Special Meetings.

- a. The President shall call a special meeting of the Association if so directed by resolution of the Executive Board or upon a petition signed and presented to the Secretary by Unit Owners entitled to cast at least 25% of the votes in the Association. The notice of any special meeting shall state the time, place and purpose thereof. Such meeting shall be held within 45 days after receipt by the President of said resolution or petition; provided, however, if the purpose includes the consideration of the rejection of a budget or capital expenditure pursuant to Section 5.8 below, such meeting shall be held within 15 days after receipt by the President of said resolution or petition. No business shall be transacted at a special meeting except as stated in the notice.
- b. Within sixty days after conveyance of twenty-five percent of the Units to Unit Owners other than the Declarant, a special meeting of the Association shall be held at which two of the five members of the Executive Board designated by the Declarant shall resign (such members to be selected by the Declarant), and the Unit Owners, excluding the Declarant as a Unit Owner, shall thereupon elect successor members of the Executive Board to act in the place and stead of the members resigning. Such successor members shall serve until the annual meeting of the Association following the meeting at which they were elected.
- c. Within sixty days immediately preceding the date by which all Declarant appointed members of the Executive Board must resign pursuant to Article IX of the Declaration, a special meeting of the Association shall be held at which all of the members of the Executive Board designated by the Declarant shall resign, and the Unit Owners, including the Declarant if the Declarant owns one or more Units, shall thereupon elect successor members of the Executive Board to act in the place and stead of those resigning.

- d. Notwithstanding the foregoing, if any meeting required pursuant to subparagraphs b and c above could be held on the date an annual meeting of the Association is scheduled, then such meeting(s) shall be held concurrently with such annual meeting.

Section 2.5. Notice of Meetings. The Secretary shall give to each Unit Owner a notice of each annual or regularly-scheduled meeting of the Association at least twenty but not more than sixty days, and of each special meeting of the Unit Owners at least ten but not more than forty-five days, prior to such meeting, stating the time, place and purpose thereof. The giving of a notice of meeting in the manner provided in this Section and Section 8.1 of these Bylaws shall be considered service of notice.

Section 2.6. Adjournment of Meetings. If at any meeting of the Association a quorum is not present, Unit Owners entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time not less than forty-eight hours after the time for which the original meeting was called.

Section 2.7. Voting. Voting at all meetings of the Association shall be on a percentage basis and the percentages of the vote to which each Unit Owner is entitled shall be the Percentage Interest assigned to his Unit in the Declaration. Where the ownership of a Unit is in more than one Person, the Person who shall be entitled to cast the vote of such Unit shall be the Person named in a certificate executed by all of the owners of such Unit and filed with the Secretary, or in the absence of such named Person from the meeting, the Person who shall be entitled to cast the vote of such Unit shall be the Person owning such Unit who is present. If more than one Person owning such Unit is present, then such vote shall be cast only in accordance with their unanimous agreement pursuant to Section 3310(a) of the Act. There shall be deemed to be unanimous agreement if any one of the multiple owners cast the votes allocated to that Unit without protest being made promptly to the Person presiding over the meeting by any of the other Owners of the Unit. Such certificate shall be valid until revoked by a subsequent certificate similarly executed. Subject to the requirements of the Act, wherever the approval or disapproval of a Unit Owner is required by the Act, the Declaration or these Bylaws, such approval or disapproval shall be made only by the Person who would be entitled to cast the vote of such Unit at any meeting of the Association. Except with respect to election of members of the Executive Board and except where a greater number is required by the Act, the Declaration or these Bylaws, the owners of more than fifty percent of the aggregate Percentage Interests in the Condominium voting in person or by proxy at one time at duly convened meeting at which a quorum is present is required to adopt decisions at any meeting of the Association. Any specified percentage of the Unit Owners means the Unit Owners owning such Percentage Interests in the aggregate. In all elections for Executive Board members, each Unit Owner shall be entitled to cast for each vacancy to be filled at such election the number of votes allocated to the Unit or Units owned by

such Unit Owner as provided in the Declaration. Those candidates for election receiving the greatest number of votes cast in such elections shall be elected. Except as set forth in Section 2.4b, if the Declarant owns or holds title to one or more Units, the Declarant shall have the right at any meeting of the Association to cast the votes to which such Unit or Units are entitled. No votes allocated to a Unit owned by the Association may be cast. There shall be no cumulative or class voting.

Section 2.8. Proxies. A vote may be cast in person or by proxy. If a Unit is owned by more than one Person, each Owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through a duly executed proxy. Such proxy may be granted by any Unit Owner in favor of only another Unit Owner, a holder of a mortgage of a Unit or the Declarant. Proxies shall be duly executed in writing, shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the Person presiding over the meeting of written notice of revocation from the grantor(s) of the proxy. No proxy shall be valid for a period in excess of one year after the execution thereof. A proxy is void if it is not dated or purports to be revocable without notice.

Section 2.9. Quorum. Except as set forth below, the presence in person or by proxy of Unit Owners of twenty percent or more of the aggregate Percentage Interests at the commencement of a meeting shall constitute a quorum at all meetings of the Unit Owners Association. If a meeting is adjourned pursuant to Section 2.6 above, the quorum at such second meeting shall be deemed present throughout any meeting of the Association if persons entitled to cast ten percent of the votes which may be cast for the election of the Executive Board are present in person or by proxy at the beginning of the meeting.

Section 2.10. Conduct of Meetings. The President (or in his absence, one of the vice-presidents) shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat. The President may appoint a person to serve as parliamentarian at any meeting of the Association. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, these Bylaws, or the Act. All votes shall be tallied by tellers appointed by the President.

ARTICLE III
EXECUTIVE BOARD

Section 3.1. Number and Qualification. The affairs of the Association shall be governed by an Executive Board. The Executive Board shall be composed of five natural persons, all of whom shall be Unit Owners or designees of the Declarant.

Section 3.2. Delegation of Powers, Managing Agent. The Executive Board may employ for the Condominium a "Managing Agent" at a compensation established by the Executive Board. The Managing Agent shall perform such duties and services as the Executive Board shall authorize, including, but not limited to, all of the duties listed in the Act, the Declaration and these Bylaws; provided, however, where a Managing Agent does not have the power to act under the Act, the Declaration or these Bylaws, such duties shall be performed as advisory to the Executive Board. The Executive Board may delegate to the Managing Agent all the powers granted to the Executive Board by the Act, the Declaration and these Bylaws other than the following powers:

- a. to adopt the annual budget and any amendment thereto or to assess any Common Expenses;
- b. to adopt, repeal or amend Rules and Regulations;
- c. to designate signatories on Association bank accounts;
- d. to borrow money on behalf of the Association;
- e. to acquire and mortgage Units;

Any contract with the Managing Agent must provide that it may be terminated with cause on no more than thirty days' written notice and without cause on no more than ninety days' written notice. The term of any such contract may not exceed one year.

Section 3.3. Election and Term of Office. At the annual meetings of the Association, subject to Article IX of the Declaration, the election of members of the Executive Board shall be held. The term of office of any Executive Board member to be elected (except as set forth in Section 2.4b and c and 3.5 hereof) shall be fixed at two years. The members of the Executive Board shall hold office until the earlier to occur of the election of their respective successors or their death, adjudication of incompetency, removal, or resignation. An Executive Board member may serve an unlimited number of terms and may succeed himself.

Section 3.4. Removal or Resignation of Members of the Executive Board. Except with respect to members designated by Declarant, at any regular or special meeting of the Association duly called, any one or more of the members of the Executive Board may be removed with or without cause by Unit Owners entitled to cast a majority of all votes in the Association and a successor may then and there be elected to fill the vacancy thus created. Any Unit Owner proposing removal of a Board member shall give notice thereof to the Secretary. Any member whose removal has been proposed by a Unit Owner shall be given at least ten days' notice by the Secretary of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Executive Board may resign at any time and shall be deemed to have resigned upon transfer of title to his Unit. Declarant shall have the right to remove and replace any or all members appointed by Declarant at any time and from time to time until the required resignation date specified in Article IX of the Declaration.

Section 3.5. Vacancies. Except as set forth in Section 3.4 above with respect to members appointed by Declarant, vacancies in the Executive Board caused by any reason other than the removal of a member by a vote of the Unit Owners shall be filled by a vote of a majority of the remaining members at a special meeting of the Executive Board held for such purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum. Each person so elected shall be a member of the Executive Board for the remainder of the term of the member being replaced and until a successor shall be elected at the next annual meeting of the Association at which such seat is to be filled upon expiration of the term of his predecessor.

Section 3.6. Organization Meeting. The first meeting of the Executive Board following each annual meeting of the Association shall be held within ten days thereafter at such time and place as shall be fixed by the President (even if he is the outgoing President) at the meeting at which such Executive Board shall have been elected, and no notice shall be necessary to the newly elected members of the Executive Board in order legally to constitute such meeting, if a majority of the Executive Board members shall be present at such meeting.

Section 3.7. Regular Meetings. Regular meetings of the Executive Board may be held at such time and place as shall be determined from time to time by a majority of the members, but such meetings shall be held at least once every four months during each fiscal year. Notice of regular meetings of the Executive Board shall be given to each member, by mail or telegraph, at least three business days prior to the day named for such meeting.

Section 3.8. Special Meetings. Special meetings of the Executive Board may be called by the President on at least three business days' notice to each member, given by mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Executive Board shall be called by the President or Secretary in like manner and on like notice of the written request of at least two members of the Executive Board.

Section 3.9. Waiver of Notice. Any member may at any time, in writing, waive notice to any meeting of the Executive Board, and such waiver shall be deemed equivalent to the giving of such notice by him of the time, place and purpose of such meeting. If all members are present at any meeting of the Executive Board, no notice shall be required and any business may be transacted at such meeting.

Section 3.10. Quorum of the Executive Board. At all meetings of the Executive Board a majority of the members shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute the decision of the Executive Board. If at any meeting of the Executive Board there shall be less than a quorum present a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. One or more members of the Executive Board may participate in and be counted for quorum purposes at any meeting by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other.

Section 3.11. Compensation. No member of the Executive Board shall receive any compensation from the Association for acting as such, but may be reimbursed for any expenses incurred in the performance of his duties.

Section 3.12. Conduct of Meetings. The President shall preside over all meetings of the Executive Board and the Secretary shall keep a minute book of the Executive Board meetings, recording therein all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. The then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Executive Board if and to the extent not in conflict with the Declaration, these Bylaws or the Act.

Section 3.13. Action Without Meeting. Any action by the Executive Board required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Executive Board shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Executive Board.

Section 3.14. Validity of Contracts with Interested Executive Board Members. No contract or other transaction between the Association and one or more of its Executive Board members or between the Association and any corporation, firm, or association in which one or more of the Executive Board members are directors or officers, or are financially interested, shall be void or voidable because such Executive Board member or members are present at any meeting of the Executive Board which authorized or approved the contract or transaction or because his or their votes are counted, if the circumstances specified in either of the following subparagraphs exists:

- a. The fact that an Executive Board member is also such a director or officer or has such financial interest is disclosed or known to the Executive Board and is noted in the minutes thereof, and the Executive Board authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purposes without counting the vote or votes of such Executive Board member or members; or
- b. The Contract or transaction is made in good faith and is not unconscionable to the Association at the time it is authorized, approved or ratified.

Section 3.15. Inclusion of Interested Executive Board Members in the Quorum. Any Executive Board member holding such director or officer position or having such financial interest in another corporation, firm or association may be counted in determining the presence of a quorum at a meeting of the Executive Board or a committee thereof which authorizes, approves or ratifies a contract or transaction of the type described in Section 3.14 hereof.

ARTICLE IV

OFFICERS

Section 4.1. Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint an assistant treasurer, an assistant secretary and such other officers as in its judgment may be necessary. The President and Vice President shall be members of the Executive Board. Any other officers may, but need not, be Unit Owners or members of the Executive Board. An officer other than the President may hold more than one office.

Section 4.2. Election of Officers. The officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Board and shall hold office at the pleasure of the Executive Board.

Section 4.3. Removal of Officers. Upon the affirmative vote of a majority of all members of the Executive Board, any officer may be removed, either with or without cause, and a successor may be elected at any meeting of the Executive Board called for such purpose.

Section 4.4. President. The president shall be the chief executive officer of the Association, preside at all meetings of the Association and of the Executive Board and have all of the general powers and duties which are incident to the office of president including without limitation the power to appoint committees from among the Unit Owners from time to time as the President may in his discretion decide its appropriate to assist in the conduct of the affairs of the Association. The President shall cease holding such office at such time as he ceases to be a member of the Executive Board.

Section 4.5. Vice President. The Vice President shall take the place of the President and perform the duties of the President whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Executive Board shall appoint some other member of the Executive Board to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be delegated or assigned him by the Executive Board or by the President. The Vice President shall cease holding such office at such time as he ceases to be a member of the Executive Board.

Section 4.6. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Executive Board, have charge of such books and papers as the Executive Board may direct, maintain a register setting forth the place to which all notices to Unit Owners and holders of mortgagees to any Units hereunder shall be delivered and, in general, perform all the duties incident to the office of secretary. The Secretary shall, upon request, provide any Person, or cause to be provided to any Person entitled thereto a written statement or certification of the information required to be provided by the Association pursuant to Sections 3315(g), 3407(a) and 2407(b) of the Act and Sections 5.9 and 5.11 below.

Section 4.7. Treasurer. The Treasurer shall have the responsibility for the safekeeping of Association funds and securities, be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data and be responsible for the deposit of all monies in the name of the Executive Board, the Association or the Managing Agent, in such depositories as may from time to time be designated by the Executive Board and, in general, to perform all the duties incident to the office of treasurer.

Section 4.8. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations in excess of \$5,000 shall be executed by any two officers of the Association. All such instruments for expenditures or obligations of \$5,000 or less may be executed by any one officer of the Association.

Section 4.9. Compensation of Officers. No officer who is also a member of the Executive Board shall receive any compensation from the Association for acting as such officer, but may be reimbursed for any out-of-pocket expenses incurred in performing his duties; provided, however, the Secretary and Treasurer may be compensated for their services if the Executive Board determines such compensation to be appropriate.

ARTICLE V

COMMON EXPENSES; BUDGETS

Section 5.1. Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Executive Board; provided, however, that the first fiscal year shall begin upon the recordation of the Declaration.

Section 5.2. Preparation and Approval of Budget.

5.2.1. On or before the first day of November of each year (or sixty days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall adopt an annual budget for the Association containing an estimate of the total amount considered necessary to pay the cost of maintenance, management, operation, repair and replacement of the Common Elements and those parts of the Units as to which it is the responsibility of the Executive Board to maintain, repair and replace, and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Common Expenses by the Act, the Declaration, these Bylaws or a resolution of the Association and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Property and the rendering to the Unit Owners of all related services. Such budget shall also include such reasonable amounts as the Executive Board considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. The budget shall segregate General Common Expenses and Limited Expenses.

5.2.2. On or before the next succeeding fifth day of November (or fifty-five days before the beginning of the fiscal year if the fiscal year is other than the calendar year), the Executive Board shall make the budget available for inspection at the Association office and shall send to each Unit Owner a copy of the budget in a reasonably itemized form that sets forth the amount of the Common Expenses. Such budget shall constitute the basis for determining each Unit Owners' assessments for General Common Expense of the Association and shall automatically take effect at the beginning of the fiscal year for which it is adopted, subject to Section 5.8 below.

5.2.3. The Executive Board shall make reasonable efforts to meet the deadlines set forth above, but compliance with such deadlines shall not be a condition precedent to the effectiveness of any budget.

Section 5.3. Assessment and Payment of Common Expenses

5.3.1. General Common Expenses. The Executive Board shall calculate the monthly assessments for General Common Expenses against each Unit by multiplying (a) the total amount of the estimated funds required for the operation of the Property set forth in the budget adopted by the Executive Board for the fiscal year in question, after deducting income expected to be received from sources other than Common Expense assessments (except that the Parking Units will participate only in the expense of repair and maintenance of the parking and driveway areas), by (b) the Percentage Interest (expressed in decimal form) allocated to such Unit, and dividing the resultant product by (c) the number of calendar months in such fiscal year. Such Assessments shall be deemed to have been adopted and assessed on a monthly basis and not on an annual basis payable in monthly installments, shall be due and payable on the first day of each calendar month and shall be a lien against each Unit Owner's Unit as provided in the Act and the Declaration. Within ninety days after the end of each fiscal year, the Executive Board shall prepare and deliver to each Unit Owner and to each record holder of a mortgage on a Unit who has registered an address with the Secretary an itemized accounting of the Common Expenses and funds received during such fiscal year less expenditures actually incurred and sums paid into reserves. Any net shortage with regard to General Common Expenses, after application of such reserves as the Executive Board may determine, shall be assessed promptly against the Unit Owners in accordance with their Percentage Interest and shall be payable in one or more monthly assessments, as the Executive Board may determine.

5.3.2. Reserves. The Executive Board shall build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year may be charged first against such reserves. If the reserves are deemed to be inadequate for any reason, including non-payment of any Unit Owner's assessments, the Executive Board may at any time levy further assessments for General Common Expense which shall be assessed against the Unit Owners according to their respective Percentage Interests with regard to General Common Expenses and shall be payable in one or more monthly assessments as the Executive Board may determine.

Section 5.4. Further Assessments. The Executive Board shall serve notice on all Unit Owners of any further assessments pursuant to section 5.3.1 or 5.3.2 or otherwise as permitted or required by the Act, the Declaration and these Bylaws by a statement in writing giving the amount and reasons therefor, and such further assessments shall, unless otherwise specified in the notice, become effective with the next monthly assessment which is due more than ten days after the delivery of such notice of further assessments. All Unit Owners so assessed shall be obligated to pay the amount of such monthly assessments. Such assessments shall be a lien as of the effective date as set forth in the preceding Section 5.3.1

Section 5.5. Initial Budget. At or prior to the time assessment of Common Expenses commences, the Executive Board shall adopt the budget, as described in this Article, for the period commencing on the date the Executive Board determines that assessments shall begin and ending on the last day of the fiscal year during which such commencement date occurs. Assessments shall be levied and become a lien against the Unit during such period as is provided in Section 5.3 above.

Section 5.6. Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Executive Board to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his allocable share of the Common Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay each monthly assessment at the rate established for the previous fiscal year until the new annual or adjusted budget shall have been adopted.

Section 5.7. Accounts; Audits. All sums collected by the Executive Board with respect to assessments against the Unit Owners or from any other source may be commingled into a single fund. All books and records of the Association shall be kept in accordance with good and accepted accounting practices and the same shall be audited at least once each year by an independent accountant retained by the Executive Board.

Section 5.8. Rejection of Budget; Limitations on Expenditures and Borrowing. Anything herein to the contrary notwithstanding, the Association, by majority vote of all votes in the Association, may reject any budget or capital expenditure approved by the Executive Board, within thirty days after approval by the Executive Board. The power of the Executive Board to expend funds, incur expenses or borrow money on behalf of the Association is subject to the requirement that the consent of Unit Owners entitled to cast at least two-thirds of the votes in the Association obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required to (i) expend funds or incur expenses that it is reasonably anticipated will cause the aggregate amount of all expenses in the budget (including reserves) to be exceeded by more than 5% of such aggregate amount after taking into account any projected increase in income, and (ii) to borrow money so that loans of the Association then outstanding would exceed 5% of such aggregate amount.

Section 5.9. Payment of Common Expenses. Each Unit Owner shall pay the Common Expenses assessed by the Executive Board pursuant to the provisions of this Article V. No Unit Owner may exempt himself from liability for his contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to the date of recordation of a conveyance by him in fee of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid assessments against the latter for his proportionate share of the Common Expenses up to the time of such recordation without prejudice to the purchaser's right to recover from the selling Unit Owner amounts paid by the purchaser therefor; provided, however, that any such purchaser shall be entitled to a statement setting forth the amount of the unpaid assessments against the selling Unit Owner within five days following a written request therefor to the Executive Board or Managing Agent and such purchaser shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth; and provided further that, subject to Section 3315(b)(2) of the Act, each record holder of a mortgage on a Unit who comes into possession of a Unit by virtue of foreclosure or by deed or assignment in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments or charges against such Unit which accrue prior to the time such holder comes into possession thereof, except for claims from a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit.

Section 5.10. Collection of Assessments. The Executive Board or the Managing Agent, at the request of the Executive Board, shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty days from the due date for payment thereof. Any assessment not paid within five days after its due date shall accrue a late charge in the amount of 5% of the overdue assessment in addition to interest at the rate of 15% per annum or such other rate as may be determined by the Executive Board.

* Section 5.11. Statement of Common Expenses. The Executive Board shall promptly provide any Unit Owner, contract purchaser or proposed mortgagee so requesting the same in writing with a written statement of all unpaid assessments for Common Expenses due from such Unit Owner. The Executive Board may impose a reasonable charge for the preparation of such statement to cover the cost of its preparation, to the extent permitted by the Act.

ARTICLE VI

COMPLIANCE AND DEFAULT

Section 6.1. Relief. Each Unit owner shall be governed by, and shall comply with, all the terms of the Declaration, these Bylaws, the Rules and Regulations and the Act, as any of the same may be amended from time to time. In addition to the remedies provided in the Act and Declaration, a default by a Unit Owner shall entitle the Association, acting through its Executive Board or through the Managing Agent, to the following relief:

- a. Additional Liability. Each Unit Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or the act, neglect or carelessness of his tenants, guests, invitees or licensees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Executive Board. Such liability shall include any increase in casualty insurance premiums occasioned by improper use, misuse, occupancy or abandonment of any Unit or its appurtenances. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.
- b. Costs and Attorney's Fees. In any proceedings arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of such proceedings and such reasonable attorney's fees as may be determined by the court.
- c. No Waiver of Rights. The failure of the Association, the Executive Board or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these Bylaws, the Executive Board Rules and Regulations or the Act shall not constitute a waiver of the Unit Owner to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Executive Board or any Unit Owner pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws, the Rules and Regulations or the Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Declaration, these Bylaws, the Rules and Regulations or the Act or at law or in equity.

- d. Abating and Enjoining Violations by Unit Owners. The violation of any of the Executive Board Rules and Regulations adopted by the Executive Board, the breach of any Bylaw contained herein or the breach of any provision of the Declaration or the Act shall give the Executive Board the right, in addition to any other rights: (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Executive Board shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

ARTICLE VII

AMENDMENTS

Section 7.1. Amendments to Bylaws. These Bylaws may be modified or amended only by vote of Unit Owners entitled to cast a majority of the votes in the Association, except as otherwise expressly set forth herein or in the act; provided, however, that until the date on which all Declarant-appointed Board members voluntarily resign or are required to resign pursuant to Article IX of the Declaration, (i) Section 2.4., (ii) Section 3.1, and (iii) this Section 7.1 may not be amended without the consent in writing of Declarant. Additionally, if any amendment is necessary in the judgment of the Executive Board to cure any ambiguity or to correct or supplement any provision of these Bylaws that is defective, missing or inconsistent with any other provision hereof, or with the Act or the Declaration, then at any time and from time to time the Executive Board may effect an appropriate corrective amendment without the approval of the Unit Owners or the holders of any liens on all or any part of the Property, upon receipt by the Executive Board of an opinion from independent legal counsel to the effect that the proposed amendment is permitted by the terms of this sentence.

Section 7.2. Approval of Mortgagees. These Bylaws contain provisions concerning various rights and interests of record holders of mortgages on Units. Such provisions in these Bylaws are to be construed as covenants for the protection of such holders on which they may rely in making loans secured by such mortgages. Accordingly, no amendment or modification shall be adopted without the prior written consent of such holders who have registered an address with the Secretary.

Section 7.3. Amendments to the Declaration. Any two officers or Executive Board members of the Association may prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

ARTICLE VIII:

MISCELLANEOUS

Section 8.1. Notices. All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified mail, return receipt requested, postage prepaid (or otherwise as the Act may permit), (i) if to a Unit Owner at the single address which the Unit Owner shall designate in writing and file with the Secretary or, if no such address is designated, at the address of the Unit of such Unit Owner, or (ii) if to the Association, the Executive Board or to the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one Person, each such Person who so designates a single address in writing to the Secretary shall be entitled to receive all notices hereunder.

Section 8.2. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

Section 8.3. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, the vice versa, whenever the context so requires.